

Message Text

CONFIDENTIAL

PAGE 01 BANGKO 17578 091034Z
ACTION XMB-04

INFO OCT-01 EA-07 ISO-00 AID-05 CIAE-00 COME-00 EB-08
FRB-03 INR-07 NSAE-00 USIA-06 TRSE-00 OPIC-03
SP-02 LAB-04 SIL-01 OMB-01 L-03 SS-15 NSC-05
/075 W
-----047706 091308Z /45

R 091013Z AUG 77
FM AMEMBASSY BANGKOK
TO SECSTATE WASHDC 5015

CONFIDENTIAL BANGKOK 17578

DEPT PASS EXIM AND OPIC

E.O. 11652: GDS
TAGS: EFIN, US, TH
SUBJ: SIAM KRAFT PAPER COMPANY

REF: A) STATE 184833, B) BANGKOK 17228, C) BKK 15715

1. ANTOINE VAN AGTMAEL OF TISCO RETURNED TO BANGKOK OVER THE WEEKEND. AFTER LENGTHY EXCHANGE OF VIEWS WITH EMBOFFS MORNING OF AUGUST 8 VAN A. ATTENDED A MEETING OF SIAM KRAFT BOARD OF DIRECTORS AFTERNOON OF SAME DAY. BOARD MADE FIRM DECISION APPEAL TO HIGHER COURT FOR AN 11 YEAR STRETCH OUT OF FINE PAYMENT. COMAPNY WILL ALSO REQUEST CANCELLATION OF BANK GUARANTEE ORDER. APPEAL WILL BE MADE BEFORE AUGUST 19. COMAPNY WILL BE TELEXING EX-IM AND AT SAME TIME WILL REQUEST EXIM VIEWS ON BANK GUARANTEE PROBLEM. AFTER HEARING VAN A'S REPORT ON HIS VISIT WASHINGTON BOARD FULLY EXPECTS STRONG NEGATIVE RESPONSE FROM EXIM AND WILL IN TURN CONVEY EX-IM POSITION TO COURT. BOARD IS OF OPINION CRIMINAL COURT BANK GUARANTEE CONDITION HAS NO LEGAL STANDING.

2. BOARD ALSO CONSIDERED POSSIBILITY OF SUING BOARD OF
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 BANGKO 17578 091034Z

INVESTMENT WHICH HAD APPROVED ORIGINAL IMPORT. THIS POSSIBILITY WILL BE HELD IN ABEYANCE FOR TIME BEING.

3. PREVIOUSLY AGO E/C COUNSELOR DISCUSSED THIS CASE AT LENGTH WITH BOARD OF INVESTMENT DIRECTOR GENERAL SOMPORN PUNYAGUPTA AND MADE AIDE-MEMOIRE (REF C) AVAILABLE TO HIM. WE CONSIDERED SOMPORN A GOOD PRESSURE

POINT NOT ONLY BECAUSE OF THE LONG INVOLVEMENT OF THE
BOI IN THIS CASE AND THE OBVIOUS RELATIONSHIP OF THE CASE
TO THE GENERAL INVESTMENT CLIMATE BUT ALSO TO THE FACT THAT
THE PRIME MINISTER HAD MADE HIMSELF CHAIRMAN OF THE BOARD
OF INVESTMENT AND SOMPORN HAD READY ACCESS TO HIM.

SOMPORN AGREED TO URGE THANIN TO GRANT LIBERAL TERMS ALONG
LINES AIDE-MEMOIRE. UPON HIS RETURN TO BANGKOK EVENING OF
AUGUST 8, AFTER ACCOMPANYING PRIME MINISTER TO KUALA
LUMPUR ASEAN SUMMIT MEETING, SAMPORN INFORMED E/C
COUNSELOR HE HAD TRIED TO RAISE CASE WITH PRIME MINISTER
ON THE AIRPLANE BUT THANIN WAS UNDERSTANDABLY PREOCCUPIED
AND NON-COMMITTAL. HE THEREFORE WILL REQUEST AN APPOINT-
MENT TO SEE THE PRIME MINISTER. THANIN IS FOR THE MOMENT
TIED UP WITH THE VISIT OF NEW ZEALAND PRIME MINISTER
MULDOON BUT SOMPORN BELIEVES HE WILL BE ABLE TO SEE HIM IN
A DAY OR TWO.

4. AMARATE SILAON EMPHASIZES SOLUTION TO CASE LIES
ALONG A DOUBLE TRACK. ON THE LEGAL SIDE HE BELIEVES
THE COMPANY AND THE THIA CREDITORS CAN HANDLE THE SITUATION.
IT IS HIS JUDGEMENT THAT FURTHER DEMARCHE TO THE RTG BY
THE EMBASSY SHOULD BE HELD IN ABEYANCE UNTIL THE CREDITORS
HAVE AGREED AMONG THEMSELVES ON WHAT SPECIFICALLY TO REQUEST
OF RTG. WE AGREE AND WILL CONTINUE TO KEEP IN CLOSE CONTACT
WITH ALL OF THE PLAYERS.

O'DONOHUE

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptoning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: PAPERS, LITIGATION, COURT DECISIONS
Control Number: n/a
Copy: SINGLE
Sent Date: 09-Aug-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977BANGKO17578
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D770286-0143
Format: TEL
From: BANGKOK
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770883/aaaacsjj.tel
Line Count: 86
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 9f03dd5f-c288-dd11-92da-001cc4696bcc
Office: ACTION XMB
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 77 STATE 184833, 77 BANGKOK 17228
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Feb-2005 12:00:00 am
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1668696
Secure: OPEN
Status: NATIVE
Subject: SIAM KRAFT PAPER COMPANY
TAGS: EFIN, US, TH, SIAM KRAFT PAPER COMPANY
To: STATE
Type: TE
vdkvgwkey: odbc://SAS/SAS.dbo.SAS_Docs/9f03dd5f-c288-dd11-92da-001cc4696bcc
Review Markings:
Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
22 May 2009
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009